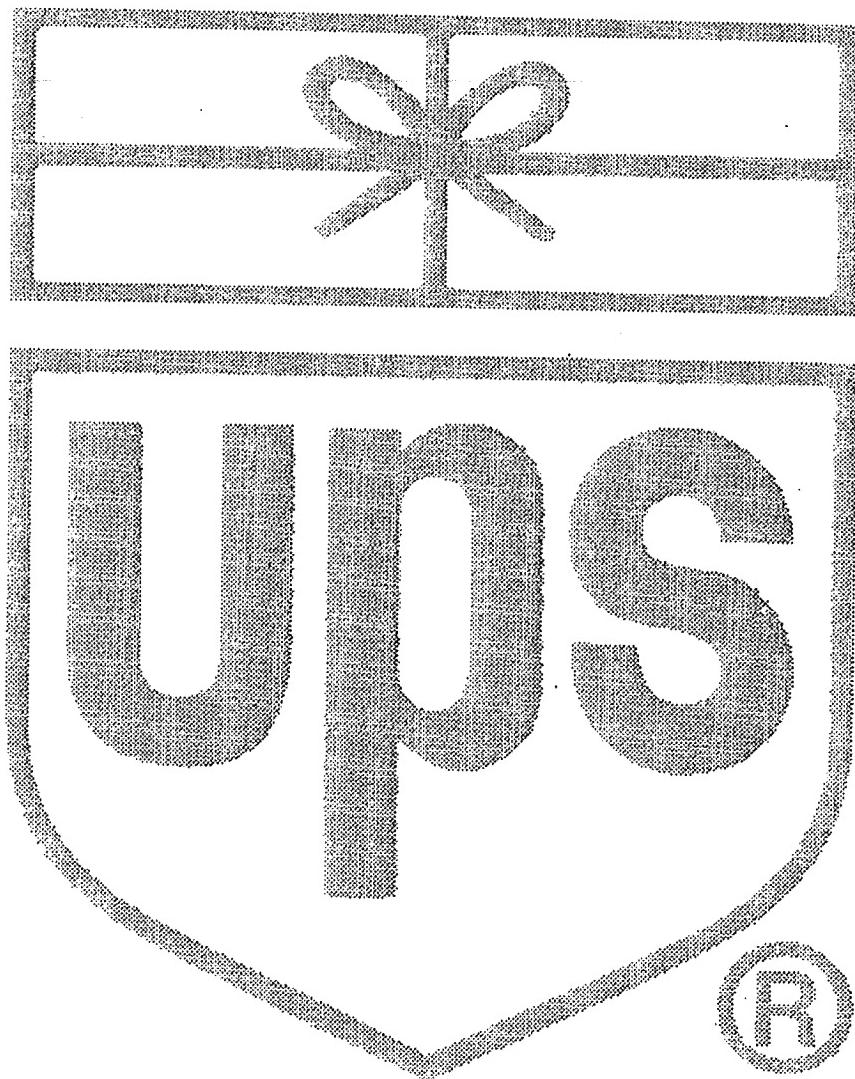


Exhibit 61

NAME

DATE



March 2002

PREFACE

ABOUT THE CODE

This *Code of Business Conduct* sets forth standards of conduct for all representatives of the UPS enterprise, including employees and agents of UPS and its subsidiary companies. Throughout the *Code*, "UPS" is used to refer to the enterprise as a whole, to each person within it, and to any person who represents UPS or any part of the UPS organization.

The *Code* provides information about our standards of integrity and explains our legal and ethical responsibilities. It does not address every specific situation or set forth a rule that will answer every question. Rather, it is intended to provide guidance on our responsibilities and assist employees in making the right decision. Additional requirements are set forth in detail in various individual compliance programs developed by functions with appropriate expertise and training. It is each employee's responsibility to understand which compliance programs apply to his/her area of responsibility and to manage the business accordingly. The *Code* supplements and enhances the *UPS Policy Book* and is consistent with the *UPS Policy Book*.

The *Code* is one of many tools provided as part of the Business Conduct and Compliance Program to assist us in meeting our legal and ethical obligations. Other tools include the *UPS Compliance Standards and Procedures Manual*, the UPS Help Line, the Corporate Compliance Web site www.atl.ups.com/compliance, and various individual compliance programs. It is your responsibility to use these resources, to ensure proper training for those employees who report to you, to ask for guidance when needed, and to report violations to the Company. Changing regulations and changing business plans may necessitate adjustments to some compliance programs, so you must also check the Corporate Compliance Web site regularly for updates. Throughout the *Code*, various Web sites are referenced to assist you in finding additional information on individual topics. Subsidiary groups or other business units who do not have access to these sites should check with their Human Resources manager or with the UPS Corporate Compliance Department to obtain the corresponding Web site that is designated for their work group.

Because the *Code* discusses both our legal and ethical responsibilities, non-compliance with certain aspects of the *Code* and/or the Business Conduct and Compliance Program could result not only in disciplinary action, but may also subject the individual offender and the Company to civil and/or criminal liability.

This *Code* was developed through the combined thinking of many individuals within our organization – employees at all levels and in all parts of the organization contributed ideas through surveys, focus group meetings and informal input. To continue to encourage comments and suggestions, the last page of this *Code* provides information about submitting recommendations for improvement, mirroring the long-standing tradition of the *UPS Policy Book*.

THE UPS CHARTER AND THE UPS POLICY BOOK

The *Code* should be used in conjunction with other available resources. Many of these resources are referenced throughout the *Code*. The *UPS Charter*, *UPS Policy Book*, and *UPS Code of Business Conduct* should be used as guides in your daily work. Each of these resources reflects our responsibilities to our four constituencies: people, customers, shareholders, and communities, and when used together, will help to align your actions to meet the needs of those four constituencies. To ensure a complete understanding, we encourage discussion of the *UPS Charter*, *Policy Book*, and *Code* at business meetings and other suitable occasions.

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Additional information on these and other compliance related topics are available on the Corporate Compliance Web site at www.atl.ups.com/compliance.

CHAIRMAN'S MESSAGE: ON LEADING WITH INTEGRITY

Leading with integrity is not new to UPS managers. In 1957, Jim Casey said, "We have become known to all who deal with us as people of integrity, and that priceless asset is more valuable than anything else we possess."

Maintaining that reputation is vital to our continued growth and success. As a UPS employee, you have an obligation to make sure your daily decisions support the values and principles of the company.

We have always been committed to managing our business in compliance with both the law and our ethical values. Our sincere and firm belief that we will only conduct business fairly, honestly, and ethically has been the foundation of our legacy of leading with integrity.

As we continue to integrate deeper into our customers' supply chains, the level of trust between UPS and our customers also extends deeper. It would be a mistake to assume that just because our business is growing more competitive and complex that we would give less thought to how specific results are achieved. We care as much about how we get results as we do about getting the results. Employees who get results at the cost of violations of laws or through unscrupulous dealings do more than violate our standards – they challenge our ability to grow our business and undermine our reputation.

If any aspect of the *Code* is unclear to you, or if a situation ever arises that raises in your mind a question about legal or ethical compliance, it is your personal responsibility to communicate this concern to the company. It is very important to all of us that employees are never discouraged from using any available channel to communicate their concern to the company. It is also important that employees who communicate concerns to the company are supported, and that they are able to do so without fear of retaliation or retribution.

Leading with integrity is about creating a climate for success. It's about creating an environment where good people can make good decisions. By ensuring understanding of our legal and ethical responsibilities, by conducting our business in compliance with those obligations, by using good judgment and by respecting each other, UPS's legacy of leading with integrity will continue. The UPS reputation belongs to us all, as does our responsibility to protect it.

Michael L. Eskew
Chairman and Chief Executive Officer

"Integrity comes down to being the way we operate...Our integrity requires us to live up to our commitments...not just for technical compliance, but to the spirit of the guidelines that we've agreed on."

George Lamb, 1982

OUR VALUES AND MANAGEMENT PHILOSOPHIES

For decades, UPSers have been motivated by commonly-held principles and values that have allowed them to work toward mutual goals. These principles and values, originally established by our founders, remain as constant and as critical to our success as ever. The core of these values, which still inspire UPS employees today, is that UPS is a company of honesty, quality, and integrity. This legacy is fundamental to our ability to attract and retain the best employees, gain and keep the trust of our customers, create shareholder value, support the communities in which we operate, and protect our reputation.

Maintaining our reputation is now more important than ever as a result of an increasing number of laws that regulate our business, higher expectations from our customers and the general public about the way we do business, and a business environment characterized by global expansion, technological advances, and increased competition. But it has always been, and continues to be, our policy to conduct business in compliance with all applicable laws and regulations and in accordance with the highest ethical standards. We expect – as we always have – that UPSers, and the people acting on our behalf, will adhere to these principles.

When anyone within our organization fails to live up to the expectations outlined in our *Code*, we could all suffer damage, not only in the form of fines and other legal penalties, but also loss of customers, profitability, the loyalty of our employees, the support of our communities, and damage to our reputation. Any employee, regardless of his or her position in the Company, who violates our legal or ethical responsibilities, will be subject to appropriate discipline, which may include dismissal.

CHECKLIST FOR LEADING WITH INTEGRITY

Leading with integrity is about creating an ethical environment; an environment where good people can make good decisions. The following checklist was designed to assist you in creating such an environment.

- Do you and your managers support compliance initiatives and training?
- Do you and your managers support the UPS Help Line and understand the issue of retaliation?
- Do your employees and managers understand the compliance issues that affect their work decisions?
- Is the discipline procedure consistent when employees commit illegal or unethical acts? Is the seriousness of the violation taken into consideration?
- Is it easy for new employees to recognize your commitment to ethical decision making?
- Do you encourage your work group to balance the need to reach the business plan and other objectives with adherence to UPS's compliance obligations?
- Are compliance concerns and core ethical values considered during planning processes?
- Do you value integrity as much as other leadership skills?
- Is there a sense of responsibility among co-workers for maintaining a reputation for integrity?
- Are you sure some employees or managers are not "getting away" with certain behaviors because they are successfully achieving other organizational goals?
- Is there open communication between management and employees to discuss ethical dilemmas and conflicts?

THE UPS BUSINESS CONDUCT AND COMPLIANCE PROGRAM

We have a long-standing commitment to conduct our business in compliance with applicable laws and regulations and in accordance with the highest ethical principles. This commitment helps ensure our reputation for honesty, quality, and integrity. To continue to meet these responsibilities, UPS has established a comprehensive Business Conduct and Compliance Program (BCCP). This BCCP was designed to create an organizational atmosphere where ethics and legal compliance are understood by all employees. The BCCP is the foundation for business conduct and an essential part of every employee's job responsibility. It provides the tools by which they can make the right decisions, both from a legal and an ethical standpoint. The BCCP operates not only to prevent and detect violations of the law, but also to further UPS's commitment to integrity in all of its business dealings.

Like the *Code*, the BCCP applies to employees and agents of UPS and all of its subsidiary companies. Wherever "UPS" is used within any component of the BCCP, it refers to the enterprise as a whole, to each person within it, and to any person who represents UPS or any part of the UPS organization.

In addition to the values of UPS, the BCCP is also designed to be consistent with external standards. One such standard is the Federal Sentencing Guidelines' criteria for an effective compliance program. The Federal Sentencing Guidelines for Organizations, which became effective on November 1, 1991, created a structure under which a corporation can be severely punished for the criminal acts of its employees. However, the Federal Sentencing Guidelines also offer a significant benefit to a corporation that has an "effective" compliance program.

An "effective" compliance program, as defined by the Federal Sentencing Guidelines, must be reasonably designed, implemented, and enforced, and must adhere to the following criteria:

1. The organization must have established compliance standards and procedures to be followed by its employees and other agents that are reasonably capable of reducing the prospect of illegal or unethical conduct.
2. Specific individual(s) within high-level personnel of the organization must have been assigned overall responsibility to oversee compliance with such standards and procedures.
3. The organization must have used due care not to delegate substantial discretionary authority to individuals whom the organization knew, or should have known through the exercise of due diligence, had a propensity to engage in illegal or unethical activities.
4. The organization must have taken steps to effectively communicate its standards and procedures to all employees and other agents, e.g., by requiring participation in training programs or by disseminating publications that explain in a practical manner what is required.
5. The organization must have taken reasonable steps to achieve compliance with its standards, e.g., by utilizing monitoring and auditing systems reasonably designed to detect improper conduct by its employees and other agents and by having in place and publicizing a reporting system whereby employees and other agents could report such conduct by others within the organization without fear of retribution.
6. The standards must have been consistently enforced through appropriate disciplinary mechanisms, including, as appropriate, discipline of individuals responsible for the failure to detect an offense. Adequate discipline of individuals responsible for an offense is a necessary component of enforcement; however, the form of discipline that will be appropriate will be case specific.
7. After an offense has been detected, the organization must have taken all reasonable steps to respond appropriately to the offense and to prevent further similar offenses – including any necessary modifications to its program to prevent and detect violations of the law or our ethical responsibilities.

The BCCP standards are consistent with these external criteria, and all compliance activities throughout UPS must adhere to these requirements.

Additional Information about the Federal Sentencing Guidelines and the role individual managers play in ensuring compliance with this standard can be found in the UPS

Compliance Standards and Procedures Manual, available on the Corporate Compliance Web site at www.att.ups.com/compliance.

ASKING QUESTIONS AND VOICING CONCERNs

This Code provides an overview of the legal and ethical responsibilities that we share. Each of us is responsible for upholding these responsibilities. The standards and expectations outlined here are intended to guide you in making the right choice. If any aspect of the Code is unclear to you, or if you have any questions or face dilemmas that are not addressed, please bring them to the Company's attention. If you become aware of a situation in which you believe our legal or ethical responsibilities are being violated or if you feel that you are being pressured to violate the law or our ethical responsibilities, it is your personal responsibility to communicate this concern to the Company.

We want you to know that you will not be disciplined, lose your job, or be retaliated against in any other way for asking questions or voicing concerns about our legal or ethical obligations, as long as you are acting in good faith. "Good faith" does not mean that you have to be right – but it does mean that you believe that you are providing truthful information. The important thing is that you bring your question or concern to the Company's attention through one of the many available channels.

There are a number of people you can go to with questions or to voice your concerns. You can speak with your direct manager or supervisor, or use the Open Door Policy to talk to someone else in management, including your Human Resources or Employee Relations manager, or someone from the function with the expertise and responsibility to address your concern. Any of these people may have the information you need or will be able to refer your question to another appropriate source.

Another communication channel that the Company has established to assist you is the UPS Help Line. You can contact the UPS Help Line when you have specific questions about day-to-day issues you face at work, when you have a concern, or when you want to report a potential violation of our legal or ethical responsibilities. You may use whatever method of communication with which you feel most comfortable. The important thing is to get the guidance you need – to report what you know – and to get your questions answered.

The UPS Help Line, which is answered by an outside vendor, is available to all employees, 7 days a week, 24 hours a day. Interpreters are available so that UPS employees can call in any language. The UPS Help Line can be reached toll-free at 1-800-220-4126. Individual country codes can be found on the Corporate Compliance Web site at www.atl.ups.com/compliance, and should be used for UPS Help Line calls from outside the United States.

Although you are encouraged to identify yourself to assist the Company in effectively addressing your concern, you may choose to remain anonymous, and we will respect your choice. The UPS Help Line is not equipped with caller ID, recorders, or other devices that can identify or trace the number from which you are calling.

When you call the UPS Help Line, this is what you can expect:

- Your report will be taken seriously.
- Your report will be forwarded to appropriate UPS management for follow-up.
- Your report will be addressed by members of management that may include representatives from Corporate Compliance, Human Resources, the Corporate Legal Department, Security, or Internal Audit. If your inquiry is one that can be properly handled by someone in the region or district, it will be referred there for resolution. Each report will be carefully evaluated before it is referred for investigation or resolution.
- Your report will be handled promptly, discreetly, and professionally. Discussions and inquiries will be kept in confidence to the extent appropriate or permitted by law.
- If you wish, you can obtain certain follow-up information about how the Company addressed your report.

Investigations into allegations of unethical or illegal conduct must be conducted confidentially and professionally. The *UPS Guidelines for Investigation of Workplace Issues* is available from Corporate Compliance for management personnel who may conduct such an investigation.

Additional Information can be found in the section titled "Retaliation" and on the Corporate Compliance Web site at www.atl.ups.com/compliance.

RETALIATION

Reporting known or suspected violations of our legal or ethical obligations is the responsibility of every employee in the UPS organization. There are several channels available to employees needing to provide information to the Company. They can talk to their direct manager or supervisor, use the Open Door Policy to talk to any other manager in the organization, or they can call the UPS Help Line at 1-800-220-4126 (see section titled "Asking Questions and Voicing Concerns"). If employees don't feel comfortable talking to their manager, *for whatever reason*, it is important for them to have another way to get the message to the Company.

Our commitment to integrity includes a responsibility to foster an environment that allows employees to report violations *without the fear of retaliation or retribution*. Employees must never be discouraged from using any available channel within the organization. Even simple questioning of an employee can lead to unintentional retaliation, as it may make an employee feel that he or she did something wrong by choosing one method over another. Employees must be able to choose whichever method they are most comfortable with to communicate their concern to the company.

Any employee who retaliates against another employee for reporting known or suspected violations of our legal or ethical obligations will be in violation of the Code and subject to disciplinary action, up to and including dismissal. Retaliation may also be a violation of the law, and as such, could subject both the individual offender and the Company to legal liability.

Additionally, the same rules apply with regard to retaliation or retribution for employees related to solicitations such as UPSPAC or United Way. These decisions are a private and personal matter and should not be achieved by pressure.

Additional questions about retaliation should be directed to Corporate Compliance.

Our People

The UPS Workplace

We recognize the importance of our people – we value the contributions of our employees and we treat each individual with respect. Accordingly, we respect our employees' points of view, encourage their participation and suggestions, and give their complaints prompt and sincere attention. We help and encourage our people to develop themselves, and we keep our employees informed about company activities and plans that may affect them or their work. We are also committed to providing and maintaining a work environment that respects the rights of all employees; that is free of harassing, hostile, or offensive behavior; and that is safe and healthy.

Equal Opportunity and Anti-Harassment

We treat each individual fairly, and recruit, select, train, promote, and compensate based on merit, experience, and other work-related criteria. We comply with all laws governing fair employment and labor practices and we do not discriminate against any applicant for employment or any employee in any aspect of his or her employment at UPS because of age, race, religion, sex, disability, sexual orientation, military status, pregnancy, national origin, or veteran status.

Freedom from wrongful discrimination includes freedom from any form of discriminatory harassment. Prohibited harassment includes conduct that is intended to or that has the effect of unreasonably interfering with a fellow employee's work performance or creating an environment that is intimidating, hostile, or offensive to the employee.

Harassment may take many forms, including:

- Verbal: repeated sexual innuendoes, racial or sexual epithets, foul language, derogatory slurs or remarks, off-color jokes, propositions, threats, or suggestive or insulting sounds;
- Visual/Non-verbal: derogatory posters, cartoons or drawings, suggestive objects or pictures, graphic commentaries, leering, or obscene gestures;
- Physical: unwanted physical contact, including horseplay, touching, interference with an individual's normal work movement, or assault; and
- Other: making or threatening reprisals as a result of a negative response to harassment.

Sexual advances, requests for sexual favors, and other verbal or physical conduct also constitute sexual harassment when an individual is implicitly or explicitly required to submit to such conduct as a condition of his or her employment, or where submission to or rejection of such conduct is used as a basis for an employment decision affecting the employee. Threats or insinuations that an employee's submission to or rejection of sexual advances will in any way influence any employment decision involving that employee are strictly prohibited.

The complete *UPS Professional Conduct and Anti-Harassment Policy* is available on the Corporate Compliance Department Web site at www.atl.ups.com/compliance.

Workplace Health & Safety

The health and safety of our employees is of utmost importance to us, and we are committed to protecting the health and well-being of all UPSers. We strive to protect our employees, customers, and the public from injury and illness through our health and safety programs. Occupational Safety and Health Administration (OSHA) standards and employee input are used to develop comprehensive health and safety programs and work processes that are designed to promote safe workplaces and good health.

In addition to our own UPS health and safety standards, we also are responsible for complying with applicable industry safety regulations and guidelines, including those issued by OSHA, the Department of Transportation (DOT), and the Federal Aviation Administration (FAA), as well as other federal and state regulatory agencies. We are all responsible for understanding and complying with our health and safety processes, procedures, and guidelines. When an unsafe condition, practice, or non-compliant action is identified, appropriate action must be taken promptly to correct the condition and to prevent it from happening again.

Employees are required to advise the Company of any vehicle accident, workplace injury, non-compliant incident, or any situation presenting a danger of injury. This information will help us ensure that employees who need it are provided medical attention and will assist in preventing additional injuries. Through investigation of such reports, we can identify contributing factors and ensure that our policies and processes are both effective and adequately communicated. Whether the issue is found to be an unsafe work process, a facility issue, or an employee behavior, we are committed to finding and fixing hazards in the workplace.

The Health & Safety Department has designed a number of programs to ensure the safety of our employees, including, but not limited to, the Comprehensive Health & Safety Process, OSHA Compliance guidelines, Workplace Violence procedures, and accident and injury investigations. All employees must comply with all procedures related to these programs, as they relate to each employee's individual job.

Additional information about Health & Safety issues can be found on the Corporate Health & Safety Web site at www.atl.ups.com/hr/healthsafety/apps/index.cfm

Substance Abuse

It is our policy to maintain a drug-free and alcohol-free work environment. Use of illegal drugs and/or alcohol creates serious health and safety risks in the workplace. The use, sale, transfer, or possession of alcohol, illegal drugs, or other illegal substances is strictly prohibited while at work, on company property, or while on company business. This prohibition also includes illegal or improper use of controlled substances.

Reporting to work under the influence of any such substance is also strictly prohibited. In addition, we must comply with all laws and regulations regarding the use or possession of alcohol, illegal drugs, or controlled substances by persons who perform safety sensitive jobs.

We provide the Employee Assistance Program (EAP) to assist employees and their dependents with substance abuse problems. Information about this program can be obtained through your Human Resources manager.

Workplace Violence

UPS is committed to a safe working environment, free of threats, intimidation and physical harm. All employees have a right to work in a safe environment and share the responsibility for assuring each other's safety. UPS has adopted a workplace violence policy of zero tolerance.

UPS prohibits violence related conduct including, but not limited to, physical assaults, fighting, threatening comments, intimidation, and the intentional destruction of any company property, employee property, or merchandise. Any comments or behavior that reasonably could be interpreted as an intent to do harm to employees or property will be considered a threat.

Any employee who believes he or she may be the target of violence or threats of violence, or is aware of violent or threatening conduct by another individual, that could result in injury to a UPS employee or the destruction of property, has a responsibility to immediately report the situation to his or her immediate supervisor or manager. If the employee is unable to or prefers not to contact an immediate supervisor or manager, the employee can call the UPS Help Line at 1-800-220-4126.

Additional information about the *UPS Workplace Violence Prevention Program* is available at www.atl.ups.com/atl/hr/healthsafety/apps/workplace_violence.cfm.

Conflicts of Interest

We are all expected to give our undivided business loyalty to the Company when conducting our job-related duties. Accordingly, we must be careful to avoid conflicts of interest – situations where our private interests conflict, or even appear to conflict, with the interests of UPS as a whole. Therefore, we should not place ourselves in situations that might force us to choose between our own personal or financial interests and the interests of UPS.

Conflicts of interest can arise in many common areas, despite our best efforts to avoid them. Conflict issues, however, can generally be resolved by promptly notifying the Company. All employees must therefore notify their managers of any actual or potential conflict of interest situation. Your manager can then provide guidance on how best to resolve the conflict. If needed, you may also contact Corporate Compliance or the Corporate Legal Department for guidance. Any actions taken will be in favor of resolving or avoiding any potential conflict.

Conflicts of interests must also be disclosed on the annual *Business Ethics Questionnaire*. If the potential conflict involves running for political office, prior review by the Secretary of the Company is required.

Additional Information about conflicts of interest, including information about investments in other companies, is available in the section titled "Investments" under "Insider Trading Compliance" and on the Corporate Compliance Web site at www.atl.ups.com/compliance.

Gifts and Entertainment

UPS has always considered the proper handling of gifts an important element of its business relationships and its reputation. Therefore, it is important that all employees of UPS understand how to handle the legal and ethical issues associated with gifts and entertainment and how they can affect our relationships and reputation with our customers, suppliers, and the general public.

The issue of gifts and gratuities also has legal implications when the government, either within or outside of the U.S., is involved, and serious consequences can result from mishandling these relationships. The sections titled "Doing Business with Governments in the U.S." and "Transacting Transnational Business" provide additional information on this issue.

Business gifts and entertainment are courtesies designed to build goodwill and sound working relationships among business partners. We do not, however, want to obtain business through improper means or use improper means to gain any special advantage in the relationship. Business gifts that compromise, or even appear to compromise, our ability to make objective and fair business decisions are inappropriate.

The guidelines on "gifts and entertainment" apply to anything given or received as a result of a business relationship for which the recipient does not pay fair market value, including things such as travel, lodging, goods, services, and entertainment. These guidelines apply at all times – they do not change during traditional gift-giving seasons or during a business or other special event. Items of nominal value, such as pens or calendars, are generally acceptable, but acceptance of even such low-value items can be improper if done on a frequent or regular basis, particularly if they come from a limited number of sources.

Solicitation of gifts is never appropriate, even for charitable purposes or company events. Our customers, suppliers, and consultants are asked from time to time whether our employees have solicited gifts or entertainment to ensure integrity in our relationships.

A business gift is never permitted if prohibited by law or regulation, prohibited by known policies of the intended recipient's employer, intended to improperly influence, or would have the appearance of improperly influencing the intended recipient. Offering or accepting bribes, kickbacks or pay-offs is always prohibited.

All gifts and entertainment, other than infrequent items of nominal value, must be disclosed to your manager.

The difference between appropriate and inappropriate gifts is not always easy to determine. You and your manager should consider the following questions to determine whether a gift is appropriate. Any doubt should be resolved in favor of not giving or receiving the gift.

- Why is the gift being offered? Or, why are you offering the gift?
- Do you feel any pressure to reciprocate or grant special favors as a result of this gift? Could there be the appearance of such pressure?
- Could your acceptance of the gift adversely affect your job performance or your judgment on behalf of the Company? Could your acceptance give the appearance of adversely affecting your job performance or judgment?
- Are you certain that the gift does not violate any law or regulation?
- How would the giving or receiving of this gift appear to other customers or suppliers? Other employees? Your manager? Your family? The media?

There may be cases where refusal of a gift would cause embarrassment or hurt to the person offering it. This is particularly likely if a gift is offered as part of a public occasion while you are a guest in certain countries. In these cases, the best practice generally is to accept the gift on behalf of UPS and report it to your manager so the Company can decide how to handle it.

Additional information concerning gifts and entertainment issues can be found in the UPS Guidelines for Gifts and Gratuities available on the Corporate Compliance Web site at www.atl.ups.com/compliance.

Doing Business with the Company

A conflict of interest could arise if you - or your spouse, a relative, or a close personal friend - have a personal stake in a company that supplies or seeks to supply goods or services to UPS, is a UPS customer or potential customer, or competes with UPS. Accordingly, you should adhere to the following standards in such situations:

- If you, your spouse, a relative, or a close personal friend is an employee of, or has a significant interest in a business that provides or is seeking to provide goods or services to UPS, you must not attempt to use your position with UPS to influence the bidding process or negotiation in any way. Similarly, you must not use personal relationships to improperly influence dealings with a customer or a potential customer.
- If you have a relative or a friend who works for a competitor and your position or his or her position is such that a potential conflict could exist, notify your manager of this situation and discuss the potential problems with him or her so that he or she can provide guidance on how best to resolve the conflict. Depending upon the specific nature of the potential conflict, the company may elect to reassign you to another department or position.

Employment Outside the Company

Although employment outside of UPS is not necessarily a conflict of interest, depending upon your position with UPS and UPS's relationship with the other company, a conflict could arise. Outside employment could also be a conflict of interest if it causes you, or might be perceived by others to cause you, to choose between that interest and the interests of UPS. If a situation arises, either through scheduling or other potential conflicts, our undivided business loyalty requires that we resolve the conflict in favor of UPS.

We generally should not, without appropriate management approval, serve as directors or officers of, or consultants to, any organization that supplies goods or services to UPS, buys goods or services from UPS, or competes with UPS. If you believe your position outside the Company could present a conflict of interest, discuss the situation with your manager.

In some cases, UPS employees may be involved in outside businesses that are not UPS competitors or suppliers, or may hold political office or serve on civic boards. These situations do not necessarily constitute a conflict of interest, but it is the employee's responsibility to ensure that this activity does not conflict with UPS's interests.

This requires keeping the two activities strictly separated by adhering to the following standards:

- You may not do work relating to other organizations on UPS time;
- You may not use UPS equipment and supplies, or the time of any UPS personnel for your outside work;
- You may not promote products or services from an outside business to other UPS employees during working hours or on UPS property;
- You may not attempt to sell products or services from an outside business to UPS; and
- You must not use the fact of your UPS employment or your position in the Company to promote an outside business.

You must obtain permission from the Secretary of the Company prior to running for political office to avoid a potential conflict of interest. Additional information about political activities can be found in the section titled "Political Activities and Contributions." For additional information about the conflicts that can arise through employment outside the company, see your Human Resources manager or contact Corporate Compliance.

Company Property and Services

We prohibit the use of company time, labor, supplies, equipment, tools, buildings, or other assets for personal benefit. Employees are required to pay for personal use of our services.

Collectively, we have a responsibility for safeguarding and making proper and efficient use of UPS's property, including:

- Company time;
- Cash, checks, drafts, and charge cards;
- Land and buildings;
- Vehicles;
- Equipment, including fax machines, copiers, and telephones;
- Materials and supplies;
- Computer hardware and software;
- Information assets, including electronic data and intellectual property; and
- Scrap and obsolete equipment.

You must not use UPS property for any purpose not related to UPS business without prior authorization from the appropriate manager.

We each have an obligation to protect UPS's property from loss, damage, misuse, theft, embezzlement, and destruction. Every employee who operates equipment in connection with his or her job is responsible for understanding its proper use. This also means, for example, that you may not load any unapproved software onto UPS computers.

Additional information about protection of our information assets can be found in the sections titled "Intellectual Property," "Trademarks," and "Our Confidential and Proprietary Information."

Intellectual Property

Our Company depends on intellectual property, such as information, processes, and technology. Those tools are available at our disposal because of significant investments of our people's time and company funds. If our intellectual property is not properly protected, it becomes available to others who have not made similar investments. We would thus lose this competitive advantage and compromise our ability to provide unique service to our customers.

UPS intellectual property includes confidential UPS business information, trade secret technology (such as computer software and systems), patented inventions and processes, trademarks, and copyrighted works of authorship.

It is the responsibility of every UPS employee to help protect UPS intellectual property by adhering to the policy and procedures set forth in the *UPS Intellectual Property Protection Manual*. Management at all levels throughout the UPS enterprise must foster and maintain awareness of the importance of protecting the UPS intellectual property entrusted to their care.

Additional information about the protection of UPS's intellectual property can be found in the *UPS Intellectual Property Protection Manual*, available on the Corporate Compliance Web site at www.atl.ups.com/compliance.

Electronic Communications

UPS is committed to the use of advanced technologies in its business operations. These powerful tools, provided for business purposes, expand the information available to us and enhance our ability to communicate with each other, our business partners, vendors, and customers.

There are some serious risks associated with the misuse of UPS's Electronic Communications Assets. To help you understand the rules that apply to electronic communications, the *UPS Electronic Communications Policy* has been developed. Please review this policy regularly.

The basic rules of the policy are:

- Never disclose confidential or proprietary information of UPS, or its employees, customers, suppliers, or consultants without proper authorization.
- Don't download computer games, Shareware, or Freeware (unauthorized use could subject UPS to liability for copyright infringement). Many legitimate vendors distribute both Shareware and Freeware. However, using the appropriate procurement channels will protect UPS's assets.
- Never use profanity or send jokes.
- Don't display, transmit, distribute, access, or make available information that could offend others based on race, religion, sexual orientation, military status, pregnancy, age, political belief, gender, disability, or national origin.
- Never display, transmit, distribute, or make available information that could be abusive, obscene, defamatory, harassing, discriminatory, derogatory, offensive, or threatening.
- Don't interfere with or disrupt the normal operation of any UPS computer-based system or connecting network.
- Never use UPS Electronic Communications Assets to pursue personal profit or advancement of a non-UPS business interest.
- Don't engage in communications that are not directly related to your UPS business responsibilities.
- Don't solicit persons on behalf of any organization, including soliciting money for any purpose (other than a UPS-approved solicitation - for example, United Way campaigns).
- Don't engage in any activity otherwise prohibited by any UPS policy, rule, or guideline.

Additional rules apply. You should obtain, read, and understand the complete *UPS Electronic Communications Policy*, and contact your manager with any questions. This policy is available on the Corporate Compliance Web site at www.atl.ups.com/compliance.

Copyrighted Material

We may not reproduce, distribute, or alter copyrighted materials owned by others without a valid license or some other prior permission of the copyright owner or its authorized agent. It is not always easy to determine if such permission exists, and you must confirm that appropriate permission exists before using such materials.

Copyrighted works include, but are not limited to, printed articles from publications, TV and radio programs, videotapes, music performances, photographs, training materials, manuals, documentation, software programs, databases, diskettes, CDs, and World Wide Web pages. In general, the laws that apply to printed materials are also applicable to visual and electronic media. Presentation slides, training materials, management models, or other materials prepared by outside consultants or organizations may also be copyrighted. Additionally, it is important to note that copyright laws in the U.S. protect works even if they are not registered with the U.S. Copyright Office, and even if they do not carry the copyright symbol (©).

UPS is licensed by the Copyright Clearance Center to make photocopies of over a million publications, including many technical, trade, and business journals commonly used or subscribed to by UPSers. Most of the publications are U.S.-based licenses. UPS continues to obtain licenses to cover generally available publications.

In addition to not violating the copyrights of others, we also have a responsibility to protect those works that belong to UPS.

Information about protection of our intellectual property can be found in the section titled "Intellectual Property" and in the *UPS Intellectual Property Protection Manual*, available on the Corporate Compliance Web site at www.atl.ups.com/compliance.

To see if the Copyright Clearance Center covers a publication, go to www.copyright.com and choose "Search" and "Annual Authorizations Service." If the publication is not covered, you should contact the owner directly prior to using the material. If you have additional questions regarding copyright authorizations, contact Corporate Compliance or the Corporate Legal Department.

Trademarks

In order to maintain our reputation and the value of the UPS brand, we must ensure proper use of our name and our trademarked Images at all times. UPS owns a number of symbols and logos that identify various aspects of our company. It is important to reproduce these Images accurately, because they also represent our company and help maintain the company image. The *Guide to the Use and Protection of UPS Trademarks* should be reviewed regularly to ensure understanding of and compliance with our trademark usage guidelines. Incorrect usage of our trademarks should be reported to Corporate Compliance or the Corporate Legal Department.

UPS trademarks (marks used in connection with goods) and service marks (marks used in connection with a service) that have been registered with the U.S. Patent and Trademark Office or with corresponding authorities in other nations should appear in print and other visual media with the appropriate registration notice.

Use of registration and common law notices correctly in all print and visual communication helps protect UPS registered marks and unregistered marks. The "Glossary of Terms" section of the *UPS Style Manual* should be consulted for proper usage of these notices.

The *UPS Intellectual Property Protection Manual*, the *UPS Style Manual*, and the *Guide to the Use and Protection of UPS Trademarks* provide additional information about protecting our brand and our trademarks. Each of these manuals is available on the Corporate Compliance Web site at www.atl.ups.com/compliance.

Our Confidential and Proprietary Information

Information is a valuable corporate asset. Open and effective dissemination of information is critical to our success. However, much information about UPS's business activities is confidential or proprietary. Confidential information is information UPS considers private and which is not common knowledge outside the Company. Proprietary information is information UPS owns, develops, pays to have developed, or to which it has an exclusive right.

Confidential and/or proprietary information includes:

- Pricing and rate information, including unpublished information about past, current, and future rates;
- Methods by which UPS determines its bids;
- Documents, records, or other information concerning UPS's sales or marketing plans or activities;
- Documents, records, or other information concerning UPS's business strategies, business results, unannounced products or services, and financial data;
- Customer and employee records;
- Data entrusted to us by a customer, supplier, or consultant (see section titled "Our Customers' Confidential Information");
- Software or computer systems developed by UPS;
- UPS's trademarks and plans for new trademarks, which include symbols, words, and phrases used to identify and distinguish UPS's products and services;
- The products of UPS's research and development, such as inventions, patents, and engineering information;
- UPS processes, procedures, and know-how;
- Organizational information; and
- Any other information, which could place UPS at a competitive disadvantage.

Because the disclosure of such information could seriously damage UPS's interests, safeguarding this information is the responsibility of all UPSers. If you learn about Company proprietary or confidential information during the course of your employment, you should be careful not to share it with others, including fellow employees, unless they need to know it for a legitimate business reason that will not violate any policy, law or regulation.

You may be asked to provide information about a customer to another job function or subsidiary, but depending upon the circumstances, this could be a violation of Antitrust/Fair Competition laws. If employees not usually privy to the information as a part of their job responsibilities request that information, consult with your manager, Corporate Compliance, or the Corporate Legal Department prior to divulging the requested information.

You should also guard against unintentionally disclosing proprietary or confidential information. Situations that could result in inadvertent disclosure of such information that you should be sensitive to include: discussing confidential or proprietary information in public – in restaurants, on elevators or on airplanes; talking about it on public or mobile phones; working with sensitive information on laptop computers in public; or transmitting such information by unsecured means. Your obligation to protect UPS's confidential and proprietary information continues even after you leave the Company.

Just as UPS values and protects its own confidential and proprietary information, it is our policy and practice to respect the confidential and proprietary information of others (see section titled "Our Customers' Confidential Information").

The *UPS Intellectual Property Protection Manual* and the *Guide to the Use and Protection of UPS Trademarks* provide additional information about protecting confidential and proprietary information. These guides are available on the Corporate Compliance Web site at www.atl.ups.com/compliance.

Policy Book



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consultative services, to financial services and the flow of funds, and to the launch of new businesses – UPS and its diversified businesses are partnering with customers to meet their individual needs. We enable global commerce.

Our Management

Our company is guided by a Board of Directors. On behalf of the shareowners, our Board is committed to act in the best interests of our employees, our customers, and the general public.

All of our organization's activities are divided among several groups. The heads of these groups, together with our Chief Executive Officer, constitute the UPS Management Committee. The Management Committee has responsibility for the overall, day-to-day management of our business as well as providing the many specialized corporate services necessary to support our business. Each group has several processes and departments whose members provide specialized support to our entire organization. Members of the corporate groups and the regional groups that work with them make up our General Services organization.

UPS's service territory is divided into regions, each headed by a region manager. Each region, served by a General Services group, is divided into districts and/or countries. Each district and country is, in turn, divided into divisions and operating areas. The district or country manager is responsible for all activities carried on within the district or country.

Our Principles

- Most of our managers and supervisors have been promoted from entry-level positions, and promotion from within continues to be the principal course toward filling positions of greater responsibility. Selectively, if required, we will seek individuals from outside UPS.
- UPS continues to be owned primarily by its employees and managed by its owners. Stock ownership creates a vested interest in all UPS people to provide a quality service with excellent value to customers.

- As individuals, we do not have the authority to change or disregard any of our company's policies. We are expected to follow existing policies, even if not always in complete agreement with them. Our managers and supervisors set the example for carrying out our policies. They, therefore, are expected to lead the way for other UPS people – by word and action – in living up to our policies. We must be careful not to misinterpret or violate a policy's spirit and intent. If in doubt, we should check with others for guidance.
- We modify our policies as often as necessary to keep pace with advancing knowledge and changing conditions. We frequently review our policies to ensure that necessary changes are considered and to determine whether supplements are needed between major revisions.
- Policy changes result from the combined thinking of our people. We are encouraged to suggest changes we believe to be warranted. (Methods for suggesting changes are described on page 61.)
- The UPS Charter provides principles to guide our daily decisions. It makes clear our priorities and encourages us to seize new opportunities for the company. By letting The Charter guide us, our actions are aligned to fully meet the needs of our four constituencies: people, customers, shareowners, and communities.

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The UPS Charter

OUR VALUES

Our enduring beliefs

We believe that integrity and excellence are the core of all we do.

We believe that attention to our customers' changing needs is central to the success of UPS.

We believe that people do their best when they feel pride in their contributions, when they are treated with dignity, and when their talents are encouraged to flourish in an environment that embraces diversity.

We believe that innovation fortifies our organization through the discovery of new opportunities to serve our people and our customers.

OUR PURPOSE

Why we're in business

WE ENABLE GLOBAL COMMERCE.

OUR MISSION

What we seek to achieve

We fulfill our promise to our constituents throughout the world in the following ways:

We serve the evolving distribution, logistics, and commerce needs of our customers worldwide, offering excellence and value in all we do.

We sustain a financially strong employee-owned company that provides a long-term competitive return to our shareowners.

We strive to be a responsible and well-regarded employer by providing our people with an impartial, rewarding, and cooperative environment with the opportunity for advancement.

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We build on our legacy as a caring and responsible corporate citizen through the conduct of our people and company in the communities we serve.

OUR STRATEGY

The UPS plan of action

SUSTAIN THE CORE. CREATE THE FUTURE.

We will invest in and continue to grow our core business of worldwide distribution and logistics.

We will build additional competencies in the integration of goods, funds, and information flows around the globe.

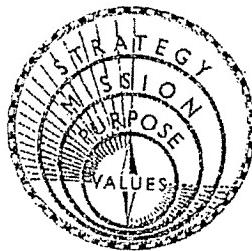
We will harness the appropriate technology to create new services and to strengthen our operations and networks.

We will attract and develop the most talented people whose initiative, good judgment, and loyalty will help realize our company's mission.

We will continually study customers' behavior, anticipate their needs, and design our products and services to exceed their expectations.

We will create a practice of innovation that leads to sustainable growth.

We will develop an environment that enables us to treat each customer and delivery as if it is our only one.



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OUR POLICIES

Our company is guided by certain principles that this book presents in the form of policies. Our reasons for having policies can be summarized as follows:

To define our company's mission – what we strive to accomplish as a business.

To set forth our company's philosophy – the moral and ethical principles that guide our business actions.

To preserve the unique United Parcel Service environment throughout our company – to help communicate our mission and philosophy to our people who by word and action can reflect and pass them on to others in a consistent manner.

To provide a guide for managers and supervisors so their decisions and actions will reflect the best interests of our company.

For convenient reference, we have grouped our policies under the following categories:

GROUP 1: OUR PEOPLE

GROUP 2: OUR CUSTOMERS

GROUP 3: OUR SHAREOWNERS

GROUP 4: OUR COMMUNITIES

Each policy is summarized in the opening statement that is printed in boldface type. But to understand the policy's full intent, the entire explanation following each statement of policy must be read carefully.

Please note that neither the policy's summary statement nor its explanation spells out exactly how a policy is to be carried out. The Policy Book is not a "how-to-do-it" manual or employment contract. It is intended, instead, to provide clearly defined policies to guide managers and supervisors at all levels of responsibility at United Parcel Service in making decisions. Resources such as The Code of Business Conduct, the Impartial Employment and Promotion Guide,

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and others provide guidance for handling specific situations in ways that are consistent with company objectives. These materials complement principles we follow in managing our business.

In order to ensure compliance with all legal requirements, questions concerning policies that may appear to be in conflict with local laws should be directed to the Corporate Office.

Throughout this Policy Book, we hope you will sense a spirit of teamwork, desire to render superior service, and a sincere effort to create an impartial, challenging, and rewarding environment for all UPS people.

POLICY GROUP 1

Our People

OUR PEOPLE

We Build Our Organization Around People. The strength of our company is its people, working together with a common purpose. Although methods, equipment, and procedures are important, and we constantly strive to improve them, our most valuable assets are loyal and capable people.

We seek, through the use of our impartial employment and promotion practices, to have a diverse workforce. Our organization is strengthened by capable individuals with diverse backgrounds.

We assign responsibilities and duties to secure the full benefit of an individual's talents and abilities and to provide each person with an opportunity to develop further.

All our people, and the jobs they perform, can make important contributions to our company. We maintain an environment that enables them to obtain personal satisfaction from their work.

We Place Great Value on Diversity. We value the diversity that exists within our workforce, our customers, those who provide goods and services to our company, and the communities in which we do business.

Managers are responsible for creating a workplace of fairness, dignity, and respect for all employees – an environment of inclusion, encouraging participation, and the best effort of everyone. The diversity of our workforce results from a sincere effort to hire and retain dedicated people from the communities in which we operate.

We strive to enhance our reputation as an organization that values diverse customers as well as suppliers and vendors. In addition, we support and work closely with organizations that believe fair employment practices are integral to a successful business.

We Treat Our People Fairly and Without Favoritism. We believe that Impartiality is the foundation of a loyal, cooperative work group.

We want to treat our people as individuals, without causing the perception of special treatment.

We have the responsibility to avoid any relationship that may result in actual or perceived favoritism.

We Maintain an Environment Free of Discrimination and Sexual Harassment. All UPS employees have the right to work in an environment free of any type of harassment and discrimination. Sexual harassment and discrimination will not be tolerated.

Managers and supervisors are responsible for ensuring that they and their employees understand and comply with UPS guidelines and maintain a professional work environment. That responsibility includes reporting incidents to the appropriate management people.

We Insist Upon Integrity In Our People. We understand that integrity is fundamental to how we run our business and essential to maintain compliance with our policies and legal requirements. Operating with integrity means we provide an atmosphere in which our people can perform their jobs in an ethical manner. We present our company honestly to employees and, in turn, expect them to be honest with us.

We expect honesty from our people in all their duties, including their handling of money, merchandise, and property with which they are entrusted. We insist on integrity in the preparation and approval of all reports.

We also expect our people to be honest in their assessment of themselves, such as the time and commitment they give to their job performance, the fairness they seek in their dealings with others, or the objectivity they use in evaluating their own contributions.

The great majority of our people are of high moral character. However, when we do discover a dishonest person in our organization, we deal with that individual quickly and firmly. For our company to be known for its integrity, each one of us must meet high standards.

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OUR PEOPLE

We Promote From Within. Generally, we fill management positions from within our organization. In doing so we take care to include for consideration and not overlook qualified people whose present jobs may make them less noticeable than other employees. We fill a vacancy from the outside when we cannot locate one of our own people who has the professional or technical skills required for a particular assignment.

Advancement is based on individual merit and performance. All who perform their tasks capably and have the capacity to assume greater responsibility are eligible. Observing equal opportunity guidelines, we select those who seem best fitted to the position.

All managers and supervisors are responsible for encouraging and developing capable people, not only for their own groups but also for openings elsewhere within our organization. We actively search for such capable people and give them opportunities to succeed.

We Maintain a Spirit of Teamwork. Throughout our organization, we capitalize on the advantages of working together in an informal manner. Although defined responsibilities are assigned to specific individuals in our company, we act as a cooperative team. Combined efforts, which help any part of our organization, serve to strengthen our entire organization.

We Compensate Our People Fairly. Our compensation programs keep pace with today's changing business needs and compare favorably with those programs in other companies. Our employees' compensation includes more than salary alone. When considering pay ranges and negotiating wage agreements, we weigh the value of the total compensation package. We also consider plans that give participants a stake in the financial success of the company and offer ways to enhance savings.

We Promote the Good Health of Our People.

We provide a benefits package and other programs that help promote good health and well-being among employees and their families. Attention to employee health increases the safety of our operations and reduces the costs of injuries and illnesses.

We Transfer Management People to Meet Our Company's Needs as Well as to Broaden Their Experience. One of our long-standing strengths is the willingness of our people to take job assignments where needed. Moves intended to strengthen our organization may involve promotions, lateral assignments, transfers, or relocations. Assignment changes should be considered with the view of enhancing career opportunities.

Because we realize that transfers have profound effects on individuals and their families as well as the company, we carefully consider all transfers and never undertake them lightly.

We Look for People Who Have Potential for Development. We know that most of our future management people will come from within our organization. For that reason, we look for applicants who can progress beyond the immediate job. We also need people who can qualify and become skilled at their work without necessarily aspiring to more responsible jobs.

OUR PEOPLE

We Help People to Develop Themselves. One of the most important responsibilities of managers and supervisors is the development of people. We are responsible for seeing that all people in our immediate organization are fully prepared to perform their jobs well.

Through our support, coaching, counseling, and example, we expect people to develop the knowledge and skills that are necessary for success in their current jobs and which can help them assume positions of greater responsibility. We expect them to take advantage of the training available to them from the company and from outside sources. In turn, we provide people with assignments and opportunities that allow them to demonstrate their skills and develop their capabilities.

We seek to give people assignments for which they are well suited.

We Expect Our Managers and Supervisors to Train Their People. We conduct training schools, workshops, and other programs in order to meet the needs of our people. However, it is the responsibility of our management team to ensure that their people receive all the necessary training and that it is effective. We review training regularly to see that it is relevant to our current needs.

We Hold Frequent Evaluations With Our Employees About Their Performance. Reviews of each person's performance enable us to arrive at a mutual understanding about progress toward meeting goals and objectives.

We hold formal evaluations periodically. However, there is no substitute for daily and weekly feedback on each person's performance.

We follow up on the results of all evaluations to ensure the continued development of our people.

We Have Meaningful Discussions With Our People. Cooperation and teamwork among all our people are necessary for the continued success of our business. To foster this spirit, we seek to develop meaningful businesslike relationships and better communications by having regular and frequent planned individual and group discussions.

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We Recognize Accomplishments. Our people deserve recognition for accomplishments in their regular jobs and for contributions made to other departments and operations. They also deserve recognition for the extra effort they make to satisfy customers and for their participation in efforts that benefit their communities.

All managers and supervisors are responsible for recognizing the accomplishments of people in their own groups. Our established programs are intended to ensure that deserving employees are recognized appropriately for their accomplishments. These programs, however, do not replace the important role of the manager or supervisor in employee recognition.

We Promote an Open Door Approach to Managing People. Every person should feel free to discuss matters with management people in our company. Accessibility, however, does not relieve anyone of the obligation to respect delegated lines of authority. Employees are encouraged to discuss their ideas or try to resolve a disputed matter with their immediate supervisor before seeking the counsel of others. One of our company's strengths is the development of professional relationships among everyone, regardless of authority or responsibility level.

We Give Each Employee Complaint Prompt, Sincere Attention. If overlooked or neglected, even minor misunderstandings can escalate into major dissatisfactions.

We try to anticipate and eliminate causes of complaints. When a question exists, we give the employee the benefit of the doubt. The immediate supervisor has the initial responsibility for resolving a complaint. When necessary, we involve the next level of management and, if appropriate, the Human Resources manager.

We keep the employee informed about the status of his or her complaint. In the process of making a decision, we do our best to take action that is fair to both the employee and the company.

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OUR PEOPLE

We Respect Each Employee's Point of View.
We listen with an open mind to suggestions and are attentive to problems.

By talking with and listening to employees, we can often help them in doing their jobs and, at the same time, learn things that benefit the company.

We train our managers in the skills necessary for talking with and listening to their employees and in translating what they learn into action.

We Encourage Participation and Suggestions.
Managers and supervisors should invite help and encourage suggestions for improvement. In working together this way, we create an environment of teamwork that benefits our company and our employees.

We consider carefully any suggestion that might be of value. If we adopt a suggestion, we give full credit; if we reject it, we explain the reasons. We also encourage feedback on plans that have been implemented, knowing that the people involved can contribute to further improvements.

We Keep Employees Informed About Company Activities and Plans That May Affect Them or Their Work. Keeping our people informed helps them to understand the company's objectives and to perform their jobs more efficiently.

To accomplish this, we hold prework and other periodic meetings. We supplement our face-to-face communications through a variety of media. Besides disseminating information to our people and their families, these communications give public recognition to employee achievements and encourage teamwork and cooperation.

We Address Each Other on a First-Name Basis.
Using first names helps to generate a friendly and informal atmosphere. We use corporate titles only when necessary. Within our company, use of a title is usually not necessary to define a person's job and responsibilities. Knowledge, performance, and capabilities should be adequate evidence of a person's position and leadership.

If it becomes necessary to use a title, we should select one that accurately describes our job and reflects our level of responsibility in commonly understood business terms.

We Are Considerate and Professional With All Applicants. We want applicants to think well of us, whether or not we hire them. We are careful not to misrepresent or make any unwarranted promises.

We welcome referrals from employees, customers, and others who know us well, and we consider them along with everyone else. But the ultimate decision to hire is made impartially based on the applicant's qualifications.

We look for people whose personal objectives are compatible with our company's objectives and whose attitudes toward performing a job are consistent with our company's ideals. We select new employees on the basis of qualifications that will help them work capably and successfully within our organization.

We are an equal opportunity employer and comply with all laws governing fair employment practices.

OUR PEOPLE

We Limit the Employment of Relatives. In order to help maintain equal opportunity of employment for the general public and equal opportunity of promotion for our employees, we limit the hiring of relatives. Relatives of current employees up to and including the level of center manager are eligible only for part-time employment in operations. Relatives of current employees at the level of division manager or above are ineligible for employment. Also, we do not hire relatives of former district managers or managers with equivalent or higher levels of responsibility.

This policy helps us avoid misunderstandings, acts of favoritism, or the perception of favoritism that could arise were an employee in a position to influence the hiring, work, or advancement of a relative.

For similar reasons, we discourage continuation of the full-time or part-time employment of any employee who marries another employee while either person holds a management position.

We Do Not Rehire Former Employees, Except Under Special Circumstances. We should not rehire former employees, especially those who left because they had become discontented or with whom we had become dissatisfied. Employees who left to further their education or for other valid reasons should be given the same consideration as new applicants. The decision to rehire a former employee should only be made with appropriate approvals.

We Try to Retain the Goodwill of Former Employees. We are considerate of employees who are leaving us for whatever reason. We know that the goodwill and respect of former employees can be beneficial in future relationships.

At the time of an employee's separation from the company, we seek an opportunity to conduct a friendly discussion regarding both the individual's and the company's views. Such discussions may point out ways in which we could improve our working environment or the company in general.

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We Develop and Maintain Professional Relations With Labor Union Representatives.

Many of our employees are represented by labor unions. We know that our people can be effective and loyal employees and, at the same time, be good union members. We consider the point of view of unions along with the interests of our customers, our people, and our company as a whole.

We negotiate fairly with labor unions for reasonable wage rates and working conditions. These negotiations should give due consideration to our unique operations and enable us to maintain the operating flexibility and efficiency needed to remain competitive.

We respect and fulfill the terms of our labor agreements. We also expect union leaders and members to cooperate in fulfilling the terms of such agreements.

We Stress Safety Throughout Our Company.

The safety of our people and of the general public is of utmost importance to us. We train our people to avoid injury to themselves and others in all phases of their work. We do not tolerate unsafe work practices.

We encourage the involvement of all our people in safety awareness activities and give recognition to employees for safety accomplishments. We are all committed to fostering the most effective safe practices in all our work.

By meeting our own high safety standards, we will be contributing to the well-being of our people, our company, and the communities we serve.

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OUR PEOPLE

We Plan Our Buildings and Facilities for Safe and Efficient Operations. We develop detailed plans for the design of our buildings and the installation of equipment in our facilities. We plan our buildings and facilities to be in compliance with governmental and regulatory requirements. Our plans take into consideration reasonable, anticipated requirements for growth. We arrange for specialized equipment and facilities as well as efficient and economical methods for handling and delivery. We provide safe, clean, and pleasant places to work.

We plan and select buildings that are functional and attractive and create a favorable impression of our organization.

We Keep Our Buildings and Equipment Clean and Neat. We believe this has an important effect on attitude, safety, and efficiency. Facilities and vehicles that are clean and neat indicate to employees and customers alike that we are proud of our company and that we give the same meticulous attention to our business that we give to our work environment.

We provide sufficient maintenance so every operating facility, office building, and vehicle will be maintained at a high standard of appearance and cleanliness every day. The exteriors of our buildings, parking lots, lawns, and shrubbery are kept neat and well maintained.

We Assign the Same Equipment to Each Employee Every Day Whenever Possible. We retain flexibility in the matching of equipment to the requirements of the job. Wherever practical, the same equipment should be assigned to each employee every day.

This results in employees feeling more responsible for the care of equipment and for reporting any special attention equipment may require. For example, drivers come to know their UPS vehicles as they do their personal cars and take the same pride in them.

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We Expect Our People to Be Neat in Appearance.

A neat appearance greatly impacts the way our customers view us and how our employees interact on the job. Our drivers and flight crews and certain other employees wear standard uniforms as a distinct reflection of our company and our service.

Just as we require our people who come in contact with the public to maintain a neat appearance, we expect our office people to be well groomed. We ask them to select clothes and accessories that are appropriate to our business environment.

Managers and supervisors take note of the appearance of their people daily and set the example through their own proper grooming and attire.

We Reimburse Our People for Appropriate Expenditures Incurred on Behalf of the Company.

No one should gain or lose because of money spent for company purposes. We require our people to submit an itemized accounting of these expenditures.

Sound judgment is necessary in the management of such expenses. Questions concerning these expenses should be resolved in advance with one's manager.

Approval of the expenses of those who report to us requires equally careful consideration, as well as attention to guiding them in future expenditures. We periodically review and adjust our reimbursement practices.

We Prohibit the Use or Possession of Alcoholic Beverages or Controlled Substances While Working.

Employees are not permitted to start work or remain at work if they possess or are using any of the following:

- an alcoholic beverage, regardless of its alcoholic content
- any controlled substance or illegal drug or any derivative thereof
- any other substance that could impair their ability to perform a job safely and competently

This rule governs employees from the time they report to work until they leave our premises at the end of the work day.

The rule reflects current laws and government regulations that strictly prohibit the use or possession of any illicit substances by those who operate our air and ground vehicles, as well as those in other specified jobs. These regulations also contain prohibitions against the use of alcoholic beverages by employees before they start work.

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We Prohibit Gambling, Holding Raffles, and Similar Activities on Company Time or Property. At best, these are unbusiness-like activities and inappropriate on the job. They also place our people under improper pressure to spend or contribute money.

We Prohibit Use of Company Time, Facilities, or Materials for Personal Benefit. The use of company time, labor, supplies, equipment, tools, buildings, or other assets for personal benefit is prohibited. Employees are required to pay for personal use of our delivery services. We also do not repair or wash private cars for employees or other individuals. Similarly, we do not sell gasoline, parts, or other supplies from our inventories.

An exception to this policy may be made only in the case of an unavoidable emergency, when there is no reasonable alternative.

We Separate Business and Social Functions. Combining social and business functions can create conflicts, misunderstandings, and jealousies that may adversely affect both the company and our people.

Families and friends normally do not attend our business meetings or travel to the meeting sites. They are, however, welcome at company open houses and at other social functions held primarily for their benefit.

POLICY GROUP 2

Our Customers

UPS Equal Opportunity Statement



We treat individuals fairly and recruit, select, train, promote, and compensate based on merit, experience, and other work-related criteria.

We do not discriminate against any applicant for employment or any employee in any aspect of their employment at UPS because of age, race, religion, sex, disability, sexual orientation, gender identity, military status, pregnancy, national origin, or veteran status.

Freedom from wrongful discrimination includes freedom from any form of discriminatory harassment. Prohibited harassment includes conduct that is intended to interfere or that has the effect of unreasonably interfering with a fellow employee's work performance or creating an environment that is intimidating, hostile, or offensive to the individual.

Additional information can be found in the UPS Professional Conduct and Anti-Harassment Policy available from Human Resources.

UPS policy prohibits discrimination against any qualified employee or job applicant with a disability in regard to job application procedures, hiring, advancement, discipline, discharge, compensation, and other terms and conditions of employment.

In addition, as a federal government contractor, UPS does not discriminate against any covered veteran or disabled veteran and, in fact, takes affirmative actions to employ, advance in employment, and otherwise treat qualified individuals with disabilities and covered veterans without regard to their disabled or veteran status in all employment practices, terms, conditions, and privileges of employment.

In this regard, if you are an individual with a disability, as defined by Section 503 of the Rehabilitation Act of 1973, or if you are a special disabled veteran covered by the Vietnam Era Veterans Readjustment Assistance Act (VEVRAA), we would like to include you in our Affirmative Action Program.

It would assist us if you tell us about: a) any special skills and procedures which qualify you for positions that you might not otherwise be able to do because of your disability, so that you will be considered for any position of the kind and b) the accommodations we could make to enable you to perform the job properly and safely.

Submission of the information is voluntary and refusal to provide it will not subject you to discharge or disciplinary treatment. Information obtained concerning individuals will be kept confidential, except that: a) supervisors and managers may be informed to the extent necessary, b) first-aid and safety personnel may be informed, when and to the extent appropriate, if the condition might require emergency treatment, and c) government officials investigating compliance with the act will be informed.

In furtherance of the Company's affirmative action efforts and its obligation to comply with the Americans with Disabilities Act (ADA) and other similar federal, state, and local laws that protect the disabled, UPS has implemented an ADA Compliance Procedure through which a disabled individual may seek a job accommodation.

If you believe that you have a medical condition which may require a job accommodation of any kind, please notify any member of management so that your situation may be assessed in accordance with the UPS ADA Compliance Procedure.

Employees and applicants shall not be subjected to harassment, intimidation, threats, coercion, or discrimination because they have engaged in or may engage in filing a complaint or assisting or participating in an investigation, compliance review, hearing, or any other activity related to the administration of UPS affirmative action programs.

The district Human Resources manager has direct responsibility for implementing and monitoring our Affirmative Action Program. It must be understood however, that our Affirmative Action Program and the treatment of our people in a fair and impartial manner are integral parts of the responsibilities assigned to each of us.

Our written Affirmative Action Programs are available for review by applicants and employees by appointment with the district Human Resources manager.

SIGNED COPY ON FILE IN HUMAN RESOURCES DEPARTMENT

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